



MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT
STATE HOUSE • BOSTON, MA 02133
(617) 725-4000

FOR IMMEDIATE RELEASE:
July 8, 2003

CONTACT:
Shawn Feddeman
Jodi Charles
617-725-4025
Phil Hailer (DHCD)
617-727-7765 x122

HEALEY PLEDGES \$26.7 MILLION FOR MAVERICK DEVELOPMENT
Tax credit equity, loans help finance East Boston HOPE VI project

EAST BOSTON – Lieutenant Governor Kerry Healey today joined Boston Mayor Tom Menino, Senate President Robert Travaglini and other state and local officials at a groundbreaking ceremony for nearly 400 new homes on the waterfront.

Healey pledged \$11.7 million worth of low-income housing tax credits and loans for the second phase of the Maverick Gardens Hope VI project, and an additional \$15 million in tax credits for the third and final phase of the project, which will begin later this year.

“Today we celebrate the ongoing partnership and investment of financial resources in the revitalization of this East Boston neighborhood,” said Healey. “Our commitment of public funds, along with private investment generated through the sale of low-income housing tax credits, will serve as a catalyst for not only affordable housing at Maverick Gardens, but for the rehabilitation of the surrounding community as well.”

Healey said that when the Maverick Gardens revitalization is complete, 396 new apartments will be available, including 305 for low- and moderate-income families. The new homes will replace 413 public housing units. Construction is expected to be completed in the summer of 2006.

“This project is an example of the good that can be accomplished when we work together to achieve our goals,” said Menino. “We all want to ensure that everyone who needs it has a decent, affordable place to live. I look forward to continuing our relationships with these partners as we improve the state of housing in Boston and all of Massachusetts.”

Approximately \$11 million in private investment will be generated in exchange for 10 years of state administered federal low-income housing tax credits at \$1.36 million each year. An additional \$15 million in project financing will be generated from the future sale of another 10-year, \$2.12 million tax credit deal for the third phase of construction. She noted that \$750,000 in federal HOME funds will also be used to finance the second phase of the project.

Healey noted that the state Department of Housing and Community Development (DHCD), which

administers both programs, also contributed \$750,000 in HOME funds for the first construction phase.

In October 2001, the Boston Housing Authority (BHA) received a \$35 million HOPE VI grant from the U.S. Department of Housing and Urban Development (HUD) to revitalize the entire Maverick development, and the BHA named Trinity East Boston Partners (Trinity Financial and the East Boston Community Development Corporation) to be the project developer. The total project cost is estimated at \$105 million. Other project funding sources include the Boston Housing Authority, the City of Boston and the quasi-public agency MassHousing.

HUD's HOPE VI program serves to transform public housing by:

- Changing the physical shape of public housing;
- Establishing positive incentives for resident self-sufficiency and comprehensive services that empower residents;
- Lessening concentrations of poverty by placing public housing in non-poverty neighborhoods and promoting mixed-income communities; and
- Forging partnerships with other agencies, local governments, nonprofit organizations, and private businesses to leverage support and resources.

“This is a perfect example of how, even in these economically uncertain times, the state can still deliver on its core mission of serving the housing needs of low- and moderate-income families,” said DHCD Director Jane Wallis Gumble. “It is through this commitment of public and private resources along with our partnership with the federal government, that help make a redevelopment project like Maverick Gardens a reality.”

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